



SUMMARY OF FINANCIAL RESULTS

FOR THE PERIOD YTD9.17

DISCLAIMER



This document has been prepared by Harel Insurance Investments and Financial Services Ltd. (hereinafter: the Company) solely for the purpose of presenting the Company's business.

The information contained in this document has not been independently verified. No representation or warranty has been expressed or implied and there should be no reliance on the fairness, accuracy, completeness or correctness of the information or opinions contained herein. Neither the Company nor any of its employees or representatives shall bear any liability whatsoever (whether due to negligence or otherwise) for any loss howsoever resulting from using this document or its content or otherwise arising in connection with this document.



This document is provided solely for your information and may not be reproduced, distributed or forwarded, directly or indirectly, in any form to any other person, nor published, wholly or partially, for any purpose. This document contains information that under Israel's Securities Law, 5728-1968, may be deemed or considered Inside Information of Harel Insurance Investments & Financial Services Ltd. Any use of Inside Information is illegal. Distribution of this document may be restricted by law and persons receiving this document should be aware of such restrictions and observe them accordingly. In receiving this report you agree to be bound by the foregoing instructions.

Statements concerning the Company's future business, financial position and results of operations are subject to risks and uncertainties, which may cause actual results to differ materially from those forecasted. Such forward-looking information includes, but is not limited to, product demand, pricing, changing economic conditions, product and technology development risks, the effect of the Company's accounting policies as well as certain other risk factors which are specified from time to time in the Company's reports to the Securities Authority.

ABOUT US

Harel Insurance Investments & Financial Services Ltd.

#1

**LARGEST
INSURANCE
COMPANY IN
ISRAEL***



+AA RATING



**OVER 3 MILLION
CLIENTS**



**PLATINUM PLUS
RATING** FROM MAALA
CSR 3 YEARS IN A ROW

* Measured according to income from premiums for the period YTD9.17

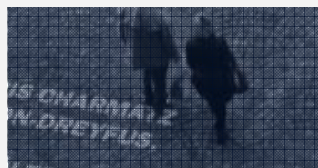
ABOUT US

Harel Insurance Investments & Financial Services Ltd.

(NIS BILLION)

Data is correct for 30.09.17

about **1.9**



Solvency II - surplus
(at December 31,
2016)

about **5.1**



Market cap
(at November 16,
2017)

about **17.1**



**Total earned
premiums and
contributions**

about
203.5



**Assets Under
Management
(AUM)**

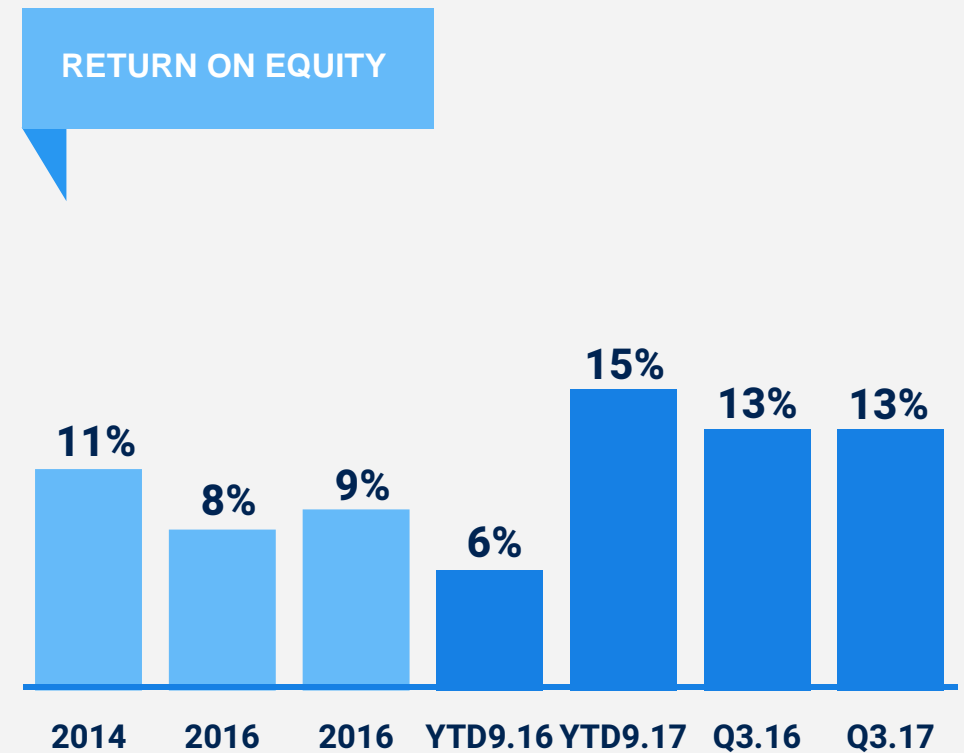
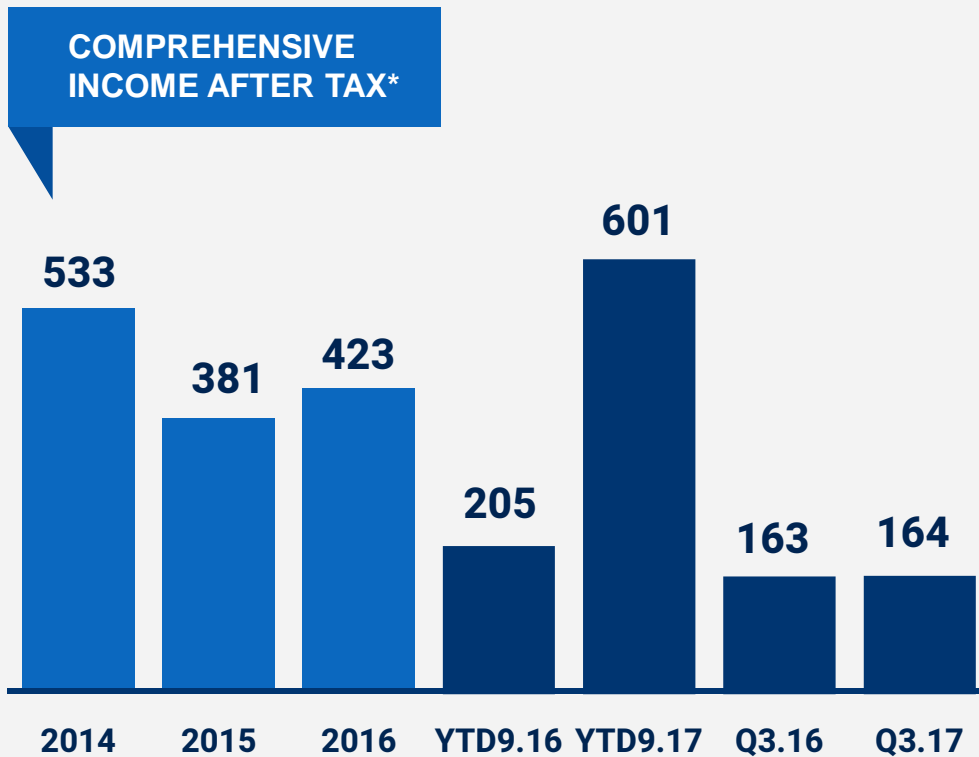
about **5.3**



**Equity attributed
to shareholders**

COMPREHENSIVE INCOME AFTER TAX AND ROE (IN ANNUAL TERMS)

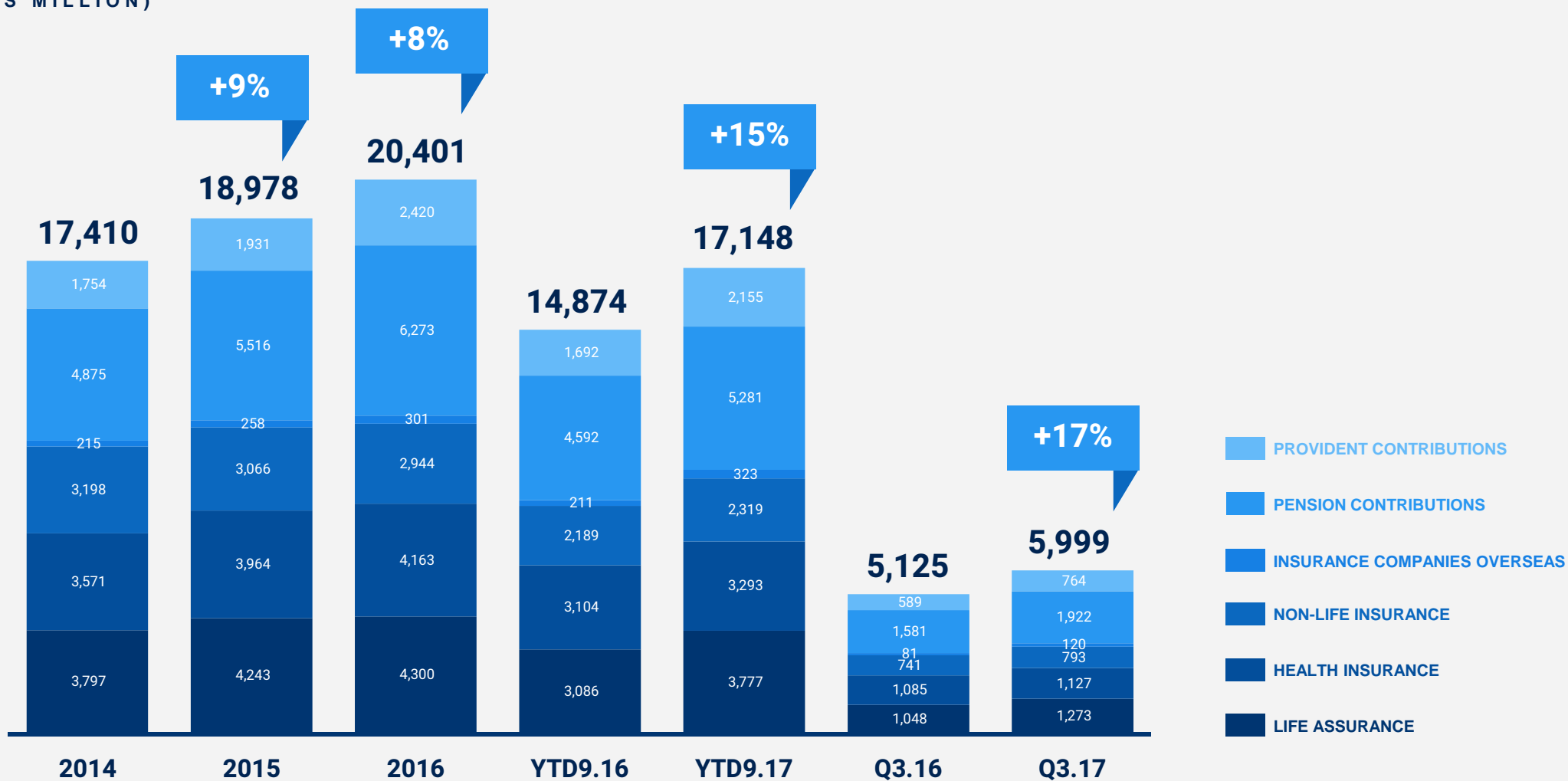
(NIS MILLION)



* Including the effect of an increase in outstanding claims in the compulsory motor and liabilities sectors in respect of the Winograd recommendations, in the amount of NIS 112 million and NIS 128 million after tax for the period YTD9.16 and 2016 respectively. In addition, including the effect of an increase in insurance liabilities for the effect of the decline in interest ratio on LAT and other provisionary in the amount of NIS 9 million, NIS 96 million and NIS 60 million after tax for the periods YTD9.17, YTD9.16 and 2016 respectively

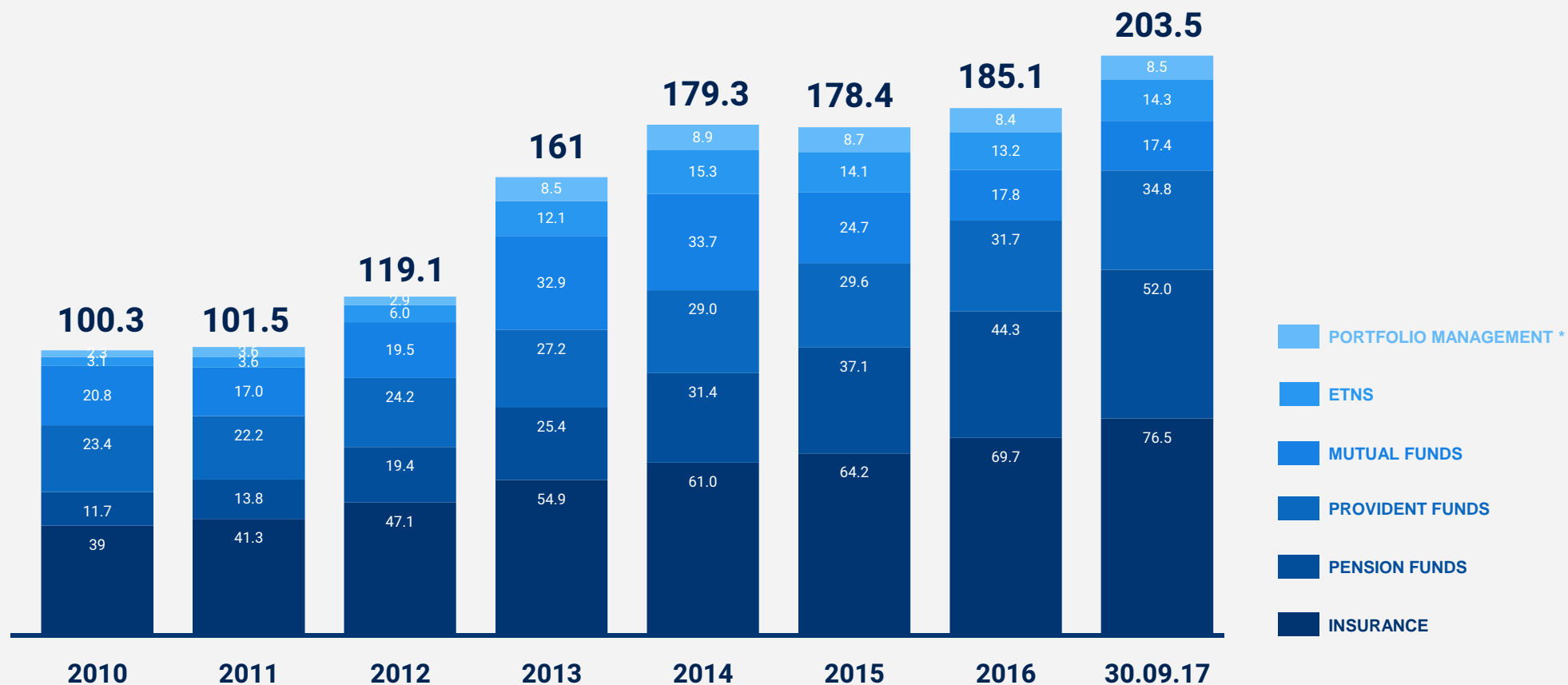
EARNED PREMIUMS AND CONTRIBUTIONS, GROSS

(NIS MILLION)



ASSETS UNDER MANAGEMENT (AUM) AND NOSTRO ASSETS

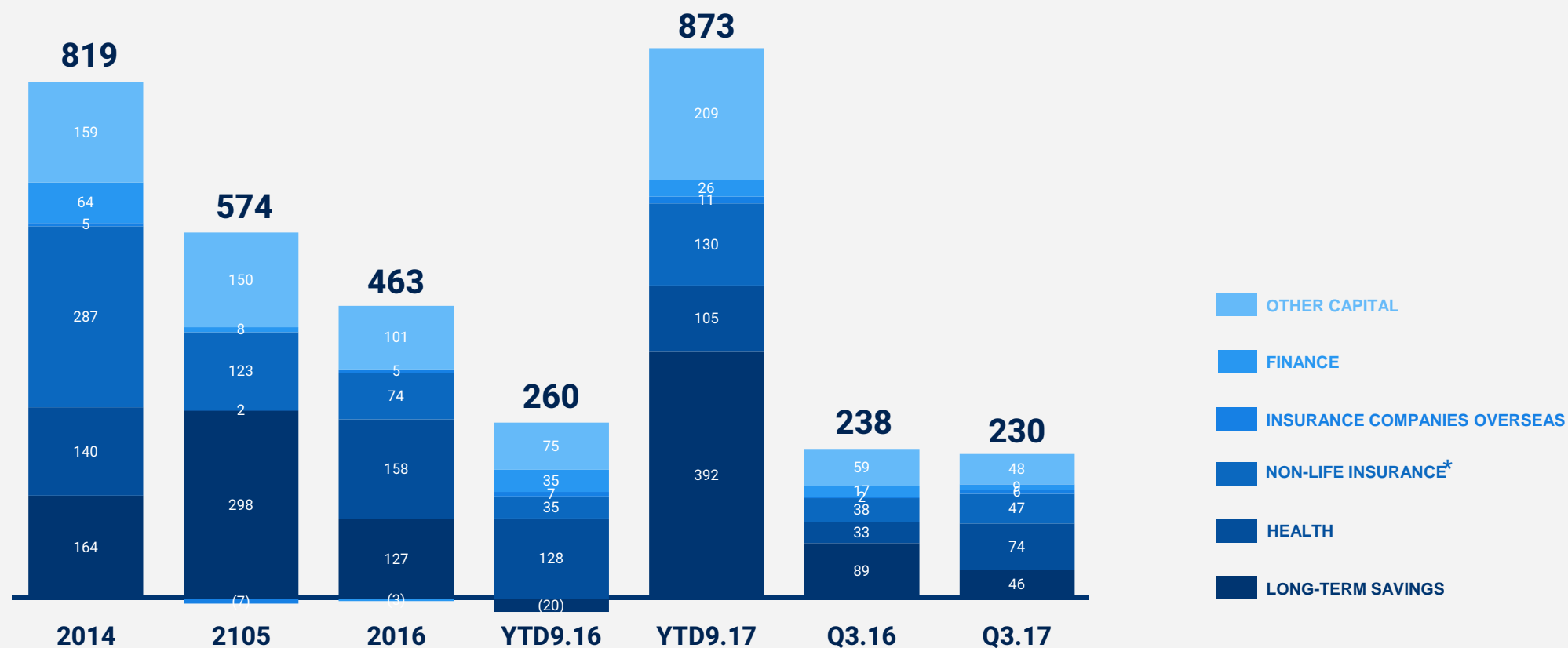
(NIS BILLION)



* Including the offsetting of inter-company balances

COMPREHENSIVE INCOME BEFORE TAX FROM OPERATING SEGMENTS

(NIS MILLION)



* Including a the effect of an increase in outstanding claims in the compulsory motor and liabilities sectors in respect of the Winograd recommendations in the amount of NIS 175 million and NIS 201 million before tax for the period YTD6.16 and 2016 respectively

NON-LIFE INSURANCE SEGMENT – COMPREHENSIVE INCOME BEFORE TAX *

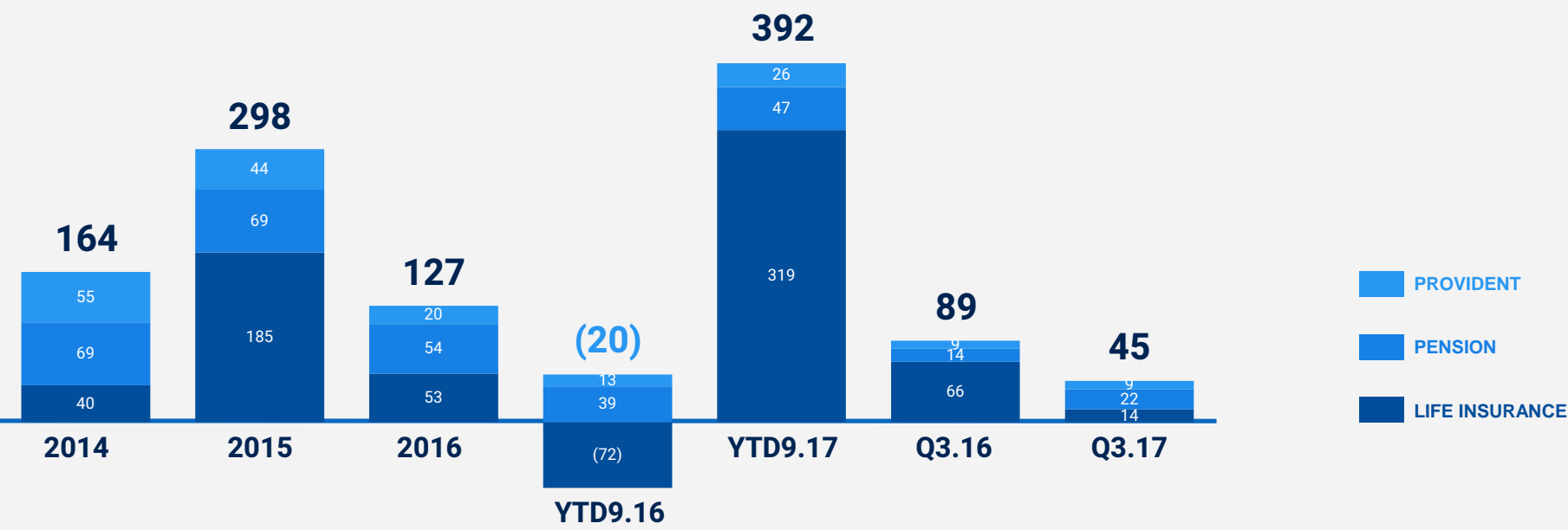
(NIS MILLION)



* Including a the effect of an increase in outstanding claims in the compulsory motor and liabilities sectors in respect of the Winograd recommendations in the amount of NIS 175 million and NIS 201 million before tax for the period YTD6.16 and 2016 respectively

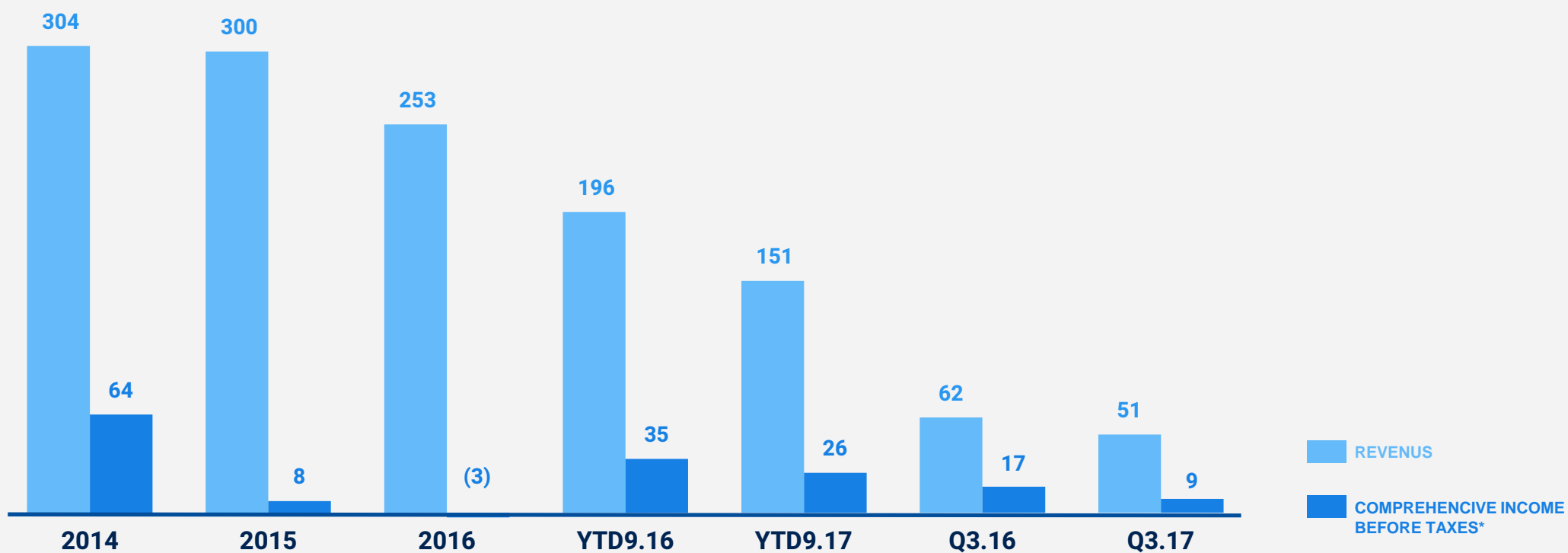
LIFE ASSURANCE AND LONG-TERM SAVINGS SEGMENT - COMPREHENSIVE INCOME BEFORE TAX

(NIS MILLION)



FINANCIAL SERVICES SEGMENT

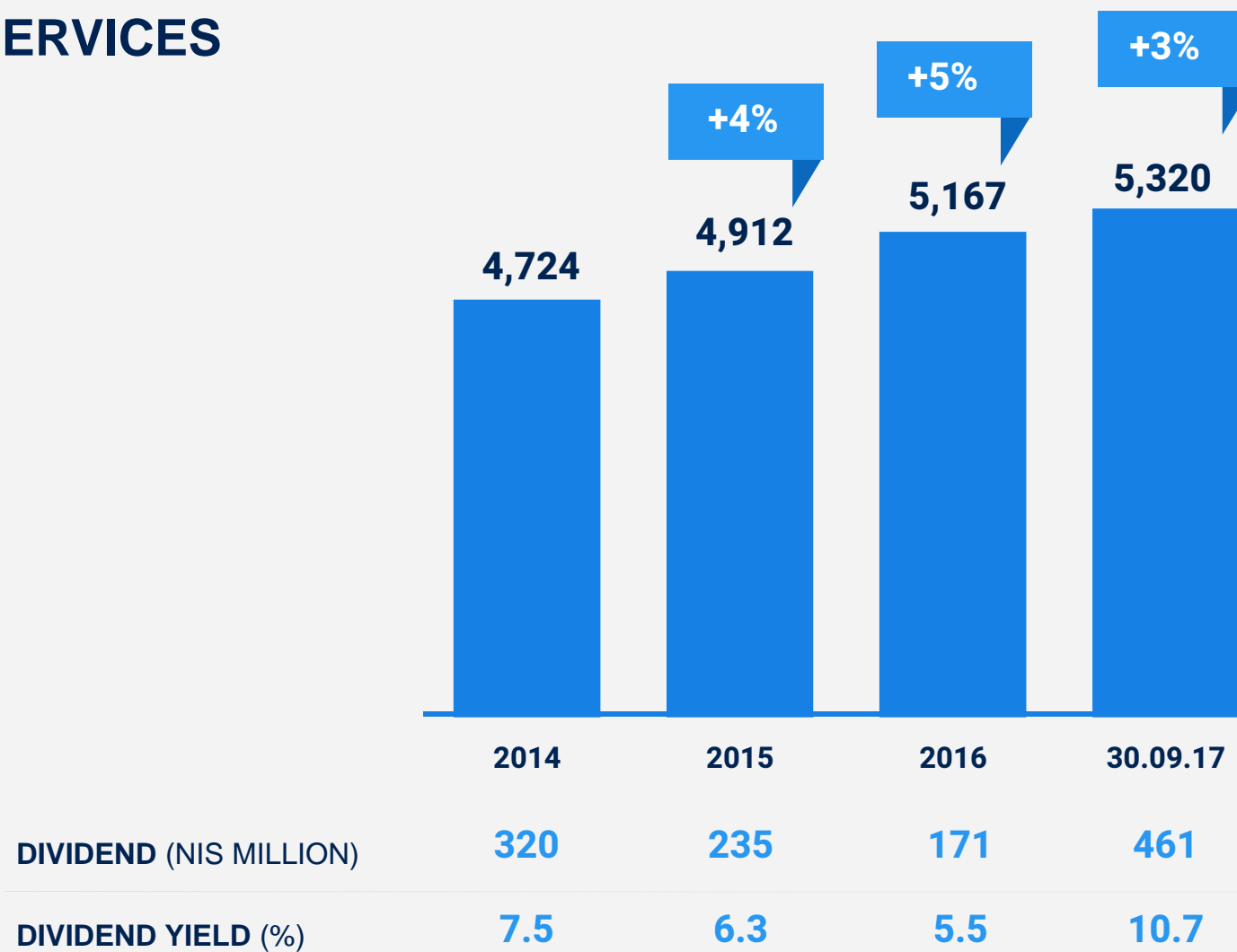
(NIS MILLION)



* Including impairment of the mutual fund activity by NIS 25 million, NIS 75 million and NIS 68 million before tax for the periods YTD9.16, 2016 and 2015

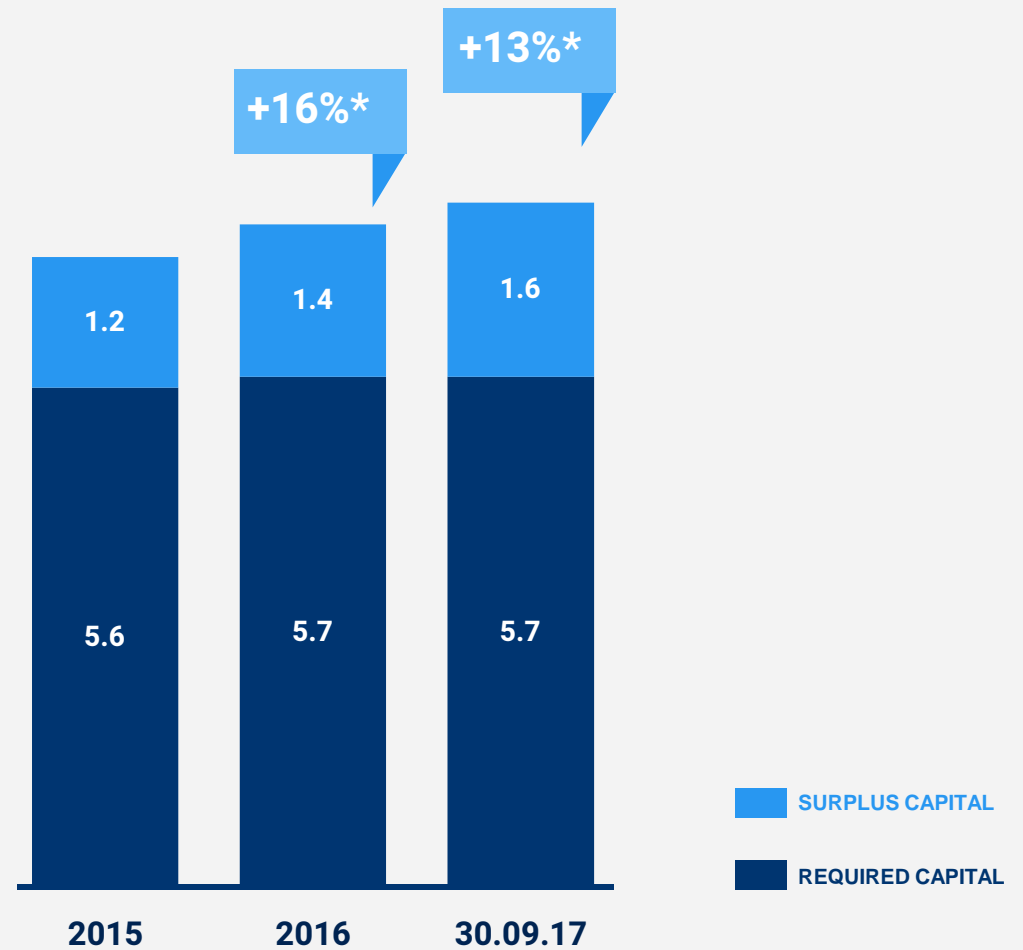
EQUITY – HAREL INSURANCE INVESTMENTS AND FINANCIAL SERVICES

(NIS MILLION)



HAREL INSURANCE CAPITAL REQUIREMENTS - OLD REGIME

(NIS BILLION)

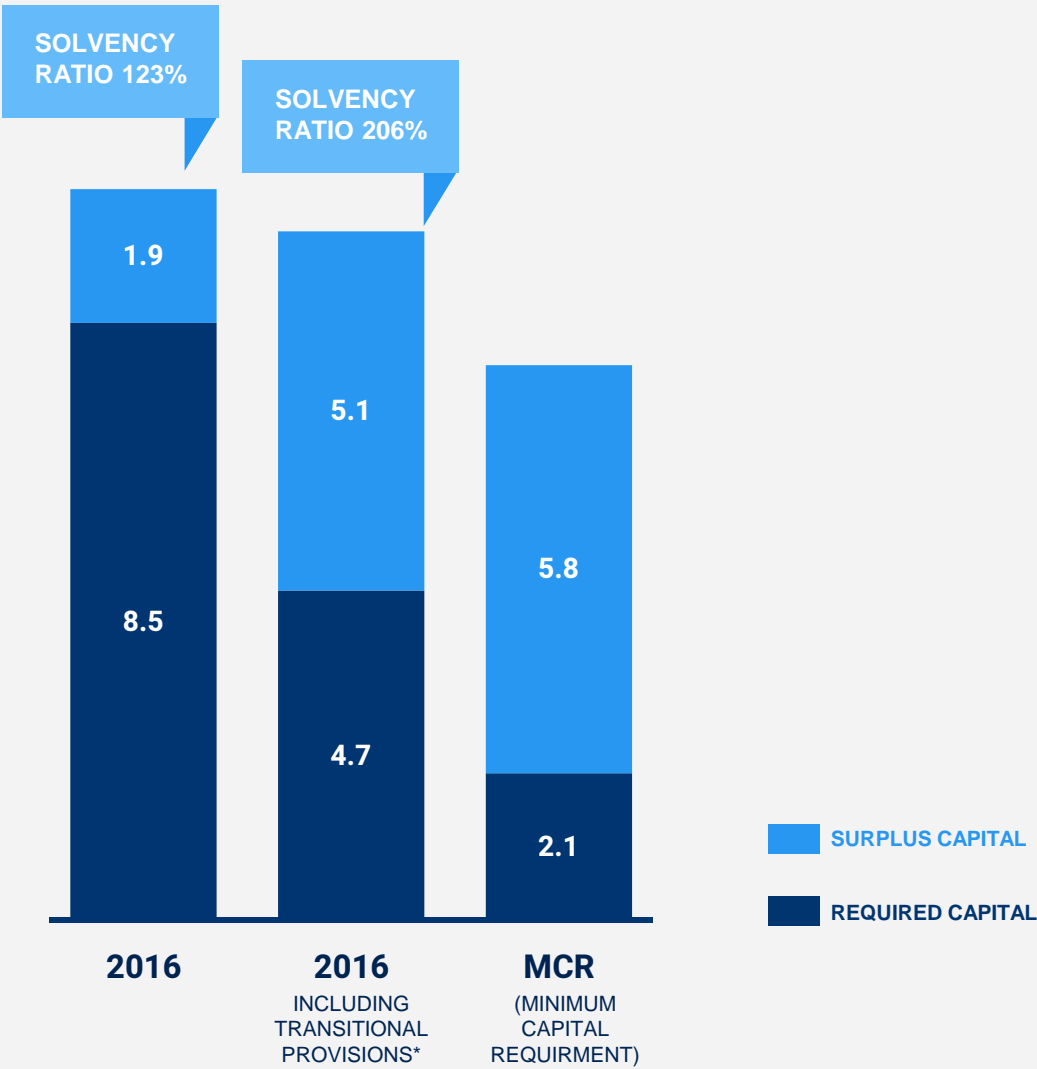


* Represents a change in surplus capital

HAREL INSURANCE CAPITAL REQUIREMENTS - SOLVENCY

(NIS BILLION)

It is emphasized that the model in its current format is extremely sensitive to changes in market and other variables



* At June 30, 2017, the requirement is 60% of the SCR

A person's hands are shown using a tablet computer. In the background, there are two coffee cups on a wooden table. The image has a blue tint and a halftone dot pattern.

Digital

CALCULATING A NEW ROUTE

A perspective view of a server room with rows of server racks. The image has a blue tint and a halftone dot pattern.

Big Data





THANK YOU!